

ACCOUNTABLE OFFICERS -- RELIEF

Senate Committee on Expenditures in the  
Executive Departments  
Senate Report No. 379, June 26, 1947

The Committee on Expenditures in the Executive Departments, to whom was referred S. 1350, hereby report the bill favorably, with amendments, and recommend that it pass.

This legislation, initiated at the request of the Secretary of the Treasury, had as its original and sole purpose the providing, through the Comptroller General of the United States, of a channel of relief for present and former disbursing personnel, of the Division of Disbursement of the Treasury Department, who were under liability on account of physical loss or deficiency in Government funds, vouchers, records, or papers. The justification for the request by the Secretary of the Treasury is that, at the present time, relief of the kind with which this bill is concerned is required to be granted either through passage of a special relief bill by the Congress or by the filing of suit by the responsible person in the United States Court of Claims, the latter to be done at the personal expense of the responsible person. Both methods are costly and time consuming.

In the course of study of the proposal submitted by the Secretary of the Treasury, the staff of the committee developed the following pertinent facts:

1. The type of relief sought to be granted by the bill is entirely equitable because it covers only cases where the occurrence of the loss or deficiency clearly is beyond the control of the person to whom liability attaches.

2. The War and Navy Departments have, for a number of years, enjoyed a similar type of legislation.

3. The Comptroller General of the United States is wholly in support of the principles involved in the proposed legislation.

4. In the particular interest of the Post Office Department, which has a vast number of employees in the category affected by the bill, the coverage of the legislation as proposed by the Secretary of the Treasury requires modification to include cases of secondary, in addition to primary, responsibility.

In view of the foregoing, and in the light of written reports received from Government offices particularly at interest, the committee has redrafted the bill so as to accomplish the following major objectives:

1. The committee felt that not only disbursing officers of the Treasury Department but equally all disbursing and other accountable officers of the entire Government should be entitled to relief through the channel provided in this bill. There are many agents of the Government who do not disburse but who, nevertheless, are fully responsible for funds, vouchers, records, checks, securities, or papers entrusted to their charge and, for that reason, the committee bill has been broadened to include that class of personnel.

2. In any case involving the physical loss of Government funds, vouchers, records, checks, securities, or papers, the Comptroller General of the United States would be authorized, if he agrees with the findings, recommendations, and determinations of the head of the agency involved, to grant relief to the person on whom responsibility devolves, provided such person has been found to be innocent of fault or negligence, and provided also that he either was in the

performance of official duties at the time the loss or deficiency occurred, or that the loss or deficiency resulted from the act or omission of his subordinate. The bill, as originally proposed by the Secretary of the Treasury, would have vested finality of decision in the Secretary of the Treasury, and the Comptroller General would have been bound to grant relief on the basis of that decision. The committee feels strongly that any major delegation of the power of relief should be granted to an agent of the Congress and, accordingly, the committee bill places finality of decision in the Comptroller General. This change has been reported to the Secretary of the Treasury and he is in agreement therewith. Further, the separate existing legislation affecting the War and Navy Departments and which vest finality of decision in the respective Secretaries of those Departments, would be repealed by this bill.

3. A major provision of the committee bill, and one which was dictated by simple justice, is language which will enable the Comptroller General to grant relief to an accountable officer of the Government who finds himself liable for a loss or deficiency resulting from the act or omission of his subordinate, provided that the accountable officer is himself without fault or negligence. While this aspect of the bill covers such situations wherever they may arise in the Government, it was prompted principally by the needs of the Post Office Department. The committee finds that, at the present time, a postmaster is held financially liable for loss or deficiency resulting from the act or omission of his subordinate. While the Post Office Department has advised that every effort is made to recover from the subordinate or from his surety, failure to do so results in the lodging of a charge against the

postmaster. There is now no avenue of relief for the postmaster except through a special relief bill passed by the Congress, or by personal suit in the United States Court of Claims. This bill will remedy the deficiency.

The committee is fully aware of the necessity for maintaining a firm control over the granting of relief for physical loss or deficiency in Government funds, vouchers, records, checks, securities, or papers, and has given thorough consideration to the bill which is reported herewith. The committee has concluded that the establishment, as is done in the bill, of a system whereby final decision will be made by the Comptroller General, in the light of facts presented to him by the head of the agency involved, provides an adequate safeguard to the best interests of the Government. The committee emphasizes also that this bill is directed to relief for physical loss or deficiency with respect to which the accountable Government employee is found to be wholly innocent of fault or negligence. The bill does not permit the granting of relief to any person who is guilty of wrongdoing by way of erroneous or illegal payments, embezzlement, or otherwise. The committee is confident that this bill serves the interest of justice and economical and more efficient administration, and that its enactment will in no way compromise the welfare of the Government.

U. S. Congressional Code Service (1947), p. 1546